



Stephanie Rawlings-Blake

**Mayor,
Baltimore City**

250 City Hall · Baltimore Maryland 21202 · 410-396-3835 · Fax: 410-576-9425

Better Schools. Safer Streets. Stronger Neighborhoods.

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CONTACT

Ryan O'Doherty
(410)818-4269

ryan.odoherty@baltimorecity.gov

Mayor Rawlings-Blake's State of the City Address
(Remarks as Prepared)

BALTIMORE, MD. (February 13, 2011) – Mr. President, members of the City Council, friends and colleagues in public service, faithful clergy, people of Baltimore—thank you for the opportunity to report to you on the state of our great city and to pave a new path toward a growing Baltimore.

Mr. President, Madam Comptroller, thank you for your leadership and your passionate commitment to serve the people of Baltimore.

We are united in our purpose to improve the lives of Baltimore's citizens, to strengthen community bonds that empower and lift-up families, and to make Baltimore the most attractive place for families to live and grow.

To the 71st Baltimore City Council: This is a new and exciting era for this body. We have new, young members with bright talents, fresh ideas, and optimism. We have committed and experienced members that bring with them great wisdom and knowledge. All of you, individually and in your own unique way, are tough and independent but also thoughtful and willing to work together for the greater good of Baltimore's people.

For many of us, this is the first time we have been elected and sworn into our current positions. And, there is something to be said for that.

I must confess, for me, there is a liberating sense of new responsibility.

That we are here not just to manage day-to-day duties and problems or year-to-year budgets, but also to achieve a greater purpose that, for too long, seemed distant and intangible. We need to get Baltimore growing again, and this is our time to lead.

We will never stop dreaming big dreams for Baltimore, but as elected leaders we have a responsibility to balance hope and optimism with realism. We need to know that nothing real is easy, there will bumps ahead, and sacrifice is a requirement for progress.

This is all for the greater good of a goal I know we can achieve together—and we must fight to make it happen.

Two Years of Progress

This is an exciting time, Baltimore. Over the past two years, with the hard work and sacrifice of our City employees, community organizations, businesses, and City and State leadership, we have made real progress on the key issues that matter most to Baltimore's families.

This year, our city's stubborn homicide count reached its lowest level since 1977—a 17% drop in the last two years alone. It wasn't that long ago when people said Baltimore could never get below 200 murders—they said it just wasn't achievable.

To the families who have suffered tragedy, these are not statistics. Each life is precious, and now more lives have been saved.

Overall violent crime continues to march downward. It's down another 7% in just two years—that's 679 fewer victims of violence in our city. And we know that it's these crimes that gave us a bad reputation as a dangerous place and, for too long, instilled the deep-seated fear that drove families away.

Juvenile violence continues to drop, down another 37% since 2009—all while fewer and fewer kids' lives are being damaged by getting arrested and sent through the justice system.

It is not time to celebrate—absolutely not. But it is also not a time for cynicism. It's time to acknowledge that Baltimore is becoming safer for families—it's time to believe in a safer city and to work even harder because we know the progress is real.

There's an adage that says success has a thousand fathers. But in this case, it's really true. Together, as a great American city, we have made this progress reducing crime because of thousands of committed police officers, thousands of neighborhood leaders, and thousands of dedicated citizens.

Today, I want to especially thank our police officers. It hasn't been easy—it's been a tough year. They've made big sacrifices and have never stopped working hard. So join me in thanking them for their central contribution to driving violence to new historic lows.

I also want to thank Commissioner Bealefeld for his strong focus, leadership, and the ongoing stability he's brought to the department.

2011 was also a year when we achieved a record low in fire deaths—the fewest since 1938. Not only have our firefighters risked life and limb to save others in dangerous situations, they've

done a remarkable job educating the community about fire safety, which has prevented countless tragedies. In the past year, we've created a new program for firefighters to distribute and install free smoke alarms with 10-year batteries—all a resident needs to do is call 311. Our goal is zero fire deaths, and we can get there.

I want to thank Chief James Clack and the men and women of the Baltimore Fire Department.

Now look how far our school system has come. Our graduation rate is up again this past year, and it's the largest year-over-year increase in a decade. The dropout rate is half what it was in 2007. More students are earning diplomas, getting ready for college or the workforce.

This year, we opened two new charter schools and one new transformation school. That's a total of 48 charter and transformation schools that are up and running today, providing more choices for families.

It was over a year ago that the New York Times said Dr. Alonso was the leader of a 'laboratory for urban school reforms.' I'm proud that since that article—and despite being on every other Mayor's short list—he still remains with us today. Thank you Dr. Alonso for believing in our kids and for the work you have done in Baltimore.

We are driving reinvestment in neighborhoods by strengthening code enforcement in transitional blocks and emerging markets to promote growth and by streamlining the sale of City property.

Additionally, we are providing targeted incentives for homebuyers who invest in vacant homes.

Vernon Brown is a proud veteran and is now one of Northeast Baltimore's new residents. With Vacants to Value incentives, he was able to move from Baltimore County to the City and purchase a previously vacant home. Arthur Grace and Jessica Martin left a Cecil County rental and purchased a rehabbed rowhouse together in Old Goucher—which is one of our new emerging markets—and they did it with V2V incentives.

Members of the Council, let's welcome homeowners Vernon, Arthur, and Jessica to Baltimore!

These families are not alone in taking a leap of faith.

More than ever before, hundreds of volunteers and AmeriCorps members are stepping-up and working together to adopt vacant side-lots, transforming them into vibrant green spaces and urban vegetable gardens through our Power in Dirt initiative. We've torn down more than 400 vacants in just two years, and the impact is real.

Monica Gaines is a Woodbourne community leader who had waited a decade to see action on her street. When we tore down vacants and began rehabs on McCabe Avenue last year, she said, "We're going to get this neighborhood back to what it used to be." And, that's the message we are taking to neighborhoods across the city. Block by block, we're bringing these neighborhoods back to get Baltimore growing again.

Ladies and gentlemen, looking at the last two years, let there be no doubt: The state of our city is now better, safer, and stronger.

We accomplished all of this, even in the darkest of economic times. During a time of tough sacrifice, our public works, transportation, and parks employees worked even harder to improve overall customer satisfaction—reaching the highest level in three years. At the same time that we cut more than \$120 million from the budget, we made smart investments by fully-funding our contribution to public schools and neighborhood libraries, continuing an aggressive plan to hire hundreds of new police officers, and, by investing in neighborhood street repair—all without raising any property taxes.

During these two very difficult budget years, we maintained our City's bond rating, replenished our rainy-day fund, implemented a smarter budget process, and started a 10-year financial plan for the future. We cut the Mayor's Office by 20%, reduced salary expenses and agency administration budgets.

I want to say thank you to a great public servant who has dedicated 29 years of his life to ensuring that Baltimore is fiscally-sound. He taught us an important lesson: Never apologize for fiscal responsibility, because being prudent ensures that we can provide the basic services that citizens rely on. Please join me in thanking our retiring Finance Director, Ed Gallagher.

Our new Finance Director, Harry Black, stands ready and able to carry the baton of sound fiscal stewardship forward as we work to make government more efficient and take Baltimore to the next level.

Pillars of Growth

We have more work to do.

Our job is to grow this city by 10,000 families over the next 10 years. Every day, on their own, families make economic and social choices about where they choose to live in the region. The good news is that our region's dynamic economy already provides for a natural influx of residents to our city every year. Too often, the problem is keeping them here.

Sure, part of our growth strategy must be to do new, creative things to attract new families to Baltimore. And we will.

But, even more important, we must do what is necessary to keep current and newly relocated families here, reduce the number of working families moving out, show them the hope that staying in Baltimore is worth it, and that it is in the best interest of their family. I believe that now, because of the progress made, we can make that argument, and we can win it.

One of our newest members, Councilman Mosby—a family man with a beautiful wife and two young kids—will introduce a City Council resolution to support the goal of growing Baltimore by 10,000 families. I ask that you join Nick, and the cause, and pass this resolution so that we may stay unified and focused together on achieving population growth over the next decade.

Some have asked: Well, how do we grow? Do we need a glossy plan? An academic study, another task force, or a new marketing gimmick?

No. We don't need those things. We all know what we need to do keep families in the city. Everyone in this chamber knows it. This is about focusing on, and making faster progress on, the fundamentals: Improving schools for kids, making our communities safer for families, rebuilding neighborhoods by tearing down vacant homes, listening to the concerns of our citizens and targeting our resources to respond—all while reducing the property tax burden on homeowners.

And finally, making sure government is efficient and not an obstacle, but a partner with businesses that create jobs.

I believe that, as a people, we should build these pillars of growth by focusing on them with renewed vigor, by investing in them with our scarce resources, and by saying no to other things that may make us feel good but are not as important to the cause.

Building a growing city, especially in tough times, is not something government does alone. There are smaller individual actions we all must do as a greater community.

Instead of demanding that we spend more to replace the role of a strong family, we, as a community, have a right to demand that parents send their kids to school on-time and ready to learn. We should fully support President Obama's call to the states—including Maryland—to stop allowing kids to dropout at age 16. And, it's the parents' responsibility to look after and care for their children at night.

The shameful sight of an eight-year-old boy on the street corner by himself, or in the curfew center after midnight, is something none of us should ever accept.

As we train our police to build strong relations with the community, together, we can also teach our children to respect the officers on the street that are there to protect them—and that reporting crime is a civic responsibility.

We can show our neighbors what clean marble stoops, back yards, and alleys are supposed to look like—leading by example, and by holding accountable those that litter in our parks, streets, and harbor.

At the center of any growing city is not only a lean, smart, and responsive government, but a strong society with clear standards of acceptable behavior. Indeed, each of us, as individuals, has a role to play to make Baltimore a great place to grow.

Investing in the Future

This year, we will fully fund our commitment to public schools, despite a third straight year of budget deficits. And we will work with our city delegation to fight to protect every education dollar in Annapolis.

I'm proud to send my daughter to a Baltimore City Public School. I'm proud of all the work our students and teachers have done to reform the system over the past several years—with increased enrollment, new teachers with better teacher pay, and charter schools that are attracting more families to our neighborhoods.

But let me tell you something else, I'm truly embarrassed by the physical condition of some of our schools—too many without air-conditioning to keep kids in the classroom on hot spring days; too few computer labs; too many with water fountains that you can't drink from.

Our kids deserve better. As a mother, and as the Mayor of this city, I'm not going stand by and do nothing about it.

To get Baltimore growing again, we need to step-up our game and work together to improve our schools. Fixing up our schools will not be easy. First and foremost, we need to look at the current inventory and how we are using the resources that we have.

We all must agree that there are too many schools that we pay the full amount to maintain but that are vastly under-utilized and sit half-empty. Dr. Alonso has been working on a much-anticipated facility assessment to address this problem.

Some schools will expand, some schools will merge, and some schools that we may have fond memories of will need to close.

Nostalgia has the power to make the past a priority over the present. And we might not always like what is proposed, but all of us should support the work of the School Board on this mission—it's what's best for our kids, our future, and it will help get Baltimore growing again.

Secondly, we need to build new schools and renovate others. We can do that with new funding streams and by being smarter about using the ones we have. I want to get moving and begin to solve this problem right away. Our kids in 8th grade don't have time to wait five years for a new or renovated high school.

That's why we immediately put forward the Better Schools Initiative, which is a concrete step toward improving the conditions of our classrooms. We have identified three new funding streams—including the bottle tax—that will begin to add \$23 million annually to the school construction budget by July of next year. The plan, which will be on your desks at the next meeting, will increase the City's contribution to school construction by 140%—the largest City increase ever proposed in Baltimore's modern times.

The combined package could inject \$300 million in bond proceeds into city school construction and renovation. This is a big bump-up for our schools, and it's real.

Make no mistake, City government and the school system will work together tirelessly to find the most innovative and fiscally-responsible ways to maximize current and proposed funding.

There are a lot of exciting ideas that show some promise, but State budget experts have warned that these financing proposals need more vetting—and so, together we must exercise due diligence.

If we've learned anything from the global crisis that nearly destroyed our financial system, it's that over-leveraging has serious risks that we must guard against.

In the end, we won't let anything stand in the way of forward momentum. We must take action, starting now. Dr. Alonso and I agree that everyone—City Schools, State Government, City Government, businesses, and our philanthropic partners—will need to step up to the plate and be part of the solution.

It is wrong to pretend that we can make a real dent in this problem without new funding. It's false to say we can borrow a billion dollars, but that we won't have to pay it back one way or another. And it isn't honest to say there won't be sacrifice.

The special interests and lobbyists will tell you there's another way, but they won't tell you how—they can't.

We need to be real. This is a big problem that requires shared sacrifice. It can't be fixed with accounting gimmicks. It's a new tax and it's one we need to pass now to invest in our kids and our future.

It's not the entire solution, and it's not the last word, but it's a big step forward for our city, and I need your support to make it happen now. Pass this bill. Help our students and get Baltimore growing again.

A Safer City

We are going to invest in the progress we've made reducing crime and violence, and we won't stop until Baltimore is the safest big city in the country.

We all understand that a safer city is a growing city, and so public safety must remain our top priority. Again this year, we are going to continue funding positions, recruiting, and training new police officers to keep up with attrition and ensure we have enough officers on the street.

We've come so far and made so much progress. Now is not the time to take our foot off the gas.

The budget I submit to the City Council next month will make smart investments in crime-fighting technology, including our crime camera network. This year, we will place thirty new cameras in the Northeast, in Belair Edison and in Coldstream-Homestead-Montebello. This new camera project will greatly assist our officers in the Northeast with more eyes on the street—freeing-up our patrol officers to cover more ground faster. We will also work with community groups like the Mid-Town Community Benefits District to add cameras on major thoroughfares.

Commissioner Bealefeld and I are committed to increasing direct, positive interaction between patrol officers and the community—getting officers out of cars and on your street. You can expect to see a larger foot patrol presence in targeted commercial corridors throughout the city—places like Greenmount Avenue and Monument Street. Neighborhoods will see more officers on bikes—and even Segways.

We will continue the fight against illegal guns and the violent criminals who use them. The vast majority of the guns used in crimes in Baltimore City are not purchased at gun stores in the city. In fact, Baltimore City has only one legal gun dealer. The guns used in Baltimore City are coming from surrounding counties, states, and illegal transfers.

Over half of the guns used in crimes and recovered in Maryland come from other states. By working with our multi-jurisdictional Gun Task Force and our State and Federal partners, we will go after gun traffickers and the bad businesses that are fueling the illegal gun pipeline.

Finally, the trust between the people and their government—especially the police—is sacred. It is worth every effort to build trust between our officers and the people they serve. Toward that end, we are continuing to invest in our own training efforts in the department and increasing accountability.

Last month, Commissioner Bealefeld announced two new leaders in the department that will be heading-up those efforts, both of whom join us today. Chief John King, a former Deputy Chief from Montgomery County, is our new Director of Education and Training. He will focus all his efforts on building up the best police officers, training them to be community problem solvers who are committed to public service—and weeding out those who do not share our vision.

Chief Grayland Williams, a former Federal DEA officer, will lead the Internal Affairs Division. He will ensure that every officer is accountable to our residents and will take swift, appropriate action to investigate and root out any wrongdoing or abuse.

I think it speaks volumes about our commitment to good training and officer integrity when we bring in the best and brightest to focus on these issues. I want to thank Commissioner Bealefeld for conducting a national search to get the most qualified new leaders for these critically important positions.

Growing Neighborhoods

The citizen survey data couldn't be more clear. When you ask families what they need in order to stay in Baltimore, it is safe neighborhoods, good schools, job opportunities, and lower property taxes.

At the same time we are making progress reducing crime and improving our schools, we have to do everything reasonable to reduce the property tax burden on homeowners. And we need to pay for it without slashing the budget for basic City services.

This is not an easy task without tough choices.

We proposed a realistic plan to address this problem by targeting our limited resources to reduce taxes for city homeowners first. The plan will reduce the effective tax rate for city homeowners 20-cents by 2020. The funding for this plan is built into the budget I'm submitting next month.

What we've proposed will amount to the largest drop in property taxes for homeowners in decades. In the coming weeks, we will submit the legislation needed to create this targeted tax cut for owner-occupied homes.

This is important: under this bill, vacant homes do not qualify for a tax cut; vacant lots don't qualify; and speculators and owners of blighted properties won't get a penny of tax relief at the expense everyone else. This tax cut is for city homeowners first.

We are funding new auditors this year to crack down on property tax scofflaws, strengthening our billing integrity unit.

Starting in this coming budget year, the average owner-occupied home valued at \$200,000 will see a \$40 cut in property taxes right away. The following year, that will increase to \$200 and ramp up to a \$400 cut by 2020.

I'm pleased that this targeted approach has been endorsed by the Baltimore Sun and economic experts. They agree, especially in these lean times, that "a realistic proposal is better than an unrealistic proposal that can't be funded."

So, rather than standing around and talking about what can't be done, I need your support to pass this tax cut now, so that homeowners know the City is moving in the right direction, lowering their tax bills.

Let's do this now and help get Baltimore growing again.

New Partnerships

In these challenging economic times, we must build strong partnerships with City agencies, developers, and community organizations to transform our neighborhoods—making them more attractive to new and long-time residents. It's pro-growth partnerships that enabled us to get a thriving new retail center and grocery store open for business in Locust Point—even when naysayers said the project was dead because of the downturn. Today, more than one hundred city residents have found new jobs there.

It's because of community collaboration that, after a decade of vacancy and stagnation, we broke ground on a new ShopRite supermarket in Howard Park that will create 280 new job opportunities. Once an area considered a "food desert," the new store will provide a pharmacy, an on-site nurse practitioner, and even a halal butcher to serve the growing Muslim community in Northwest.

Baltimore is blessed to be home to many assets that serve as engines of economic activity, creating jobs for all skill levels: Our port; Our health care, education, and research institutions; Our tourism assets; And neighborhood small businesses. Under my administration, we will work in close partnership, supporting these engines of growth.

We are preparing the port for growth by reinvesting in our roads and bridges that support freight movement.

While the State is increasing port capacity in tandem with the expansion of the Panama Canal, this year, the City is investing more than \$20 million, reconstructing Broening Highway and Newkirk Avenue to support critical port infrastructure. And our process to rewrite the city's decades-old zoning code this year will help us balance the demands of future development along the waterfront with the need to protect maritime industries and jobs.

We have created unprecedented partnerships with our health care, education, and research institutions to promote new investment. Today, the University of Maryland and its Medical Center are full partners in our strategy to rebuild the Westside, and it's making a real difference.

Together, we've invested to strengthen Shock Trauma. Working with the private sector, we approved a \$240 million Proton Cancer treatment facility that will employ 125 people and serve 2000 patients every year from across the country. And we are tearing down the old Westside Greyhound bus station to prepare for new investment and businesses.

Today, I'm proposing that we extend the Purple Line of the Circulator up to 33rd Street, connecting Penn Station with Johns Hopkins and the Old Goucher and Charles North communities—serving as a catalyst for future growth. This will build on our green line expansion on the Eastside, which is already connecting EBDI and emerging-market neighborhoods to downtown employment—free of charge.

This year, we are creating new community job hubs in areas with high unemployment and poverty, fully funding our one-stop career centers, and adding year-round job opportunities for young people.

Finally, despite a tough budget, we are going to fully fund our Neighborhood Main Streets program to support growing small businesses. And we are going to work with them to keep our neighborhood retail districts clean by investing in a small fleet of new MadVac street sweepers.

Just Getting Started

Now I want to say something. Since December, when we announced this goal to grow the City by 10,000 families, we have been overwhelmed with well-wishes and great ideas from citizens across the city—new ideas, both large and small, on how to attract and retain families. During every meeting I've had with business leaders, churches, community organizations, state officials, and even the press, someone has a great suggestion.

New ideas like:

- Forging a stronger city partnership with the International Rescue Committee to relocate political refugees and new immigrants to Baltimore;
- Creating a program of Social Impact Bonds that focus on improving conditions in the city to spark population growth;
- And creating a Green Infrastructure Bank that provides offset credits to developments and businesses to minimize runoff pollution by cleaning-up and planting trees in vacant neighborhood lots.

This population goal has sparked renewed interest and participation in government. Probably not since the Believe campaign have we seen this level of enthusiasm. Because the truth is, when you cut through all the loud cynicism, there are hundreds of thousands of quiet families who want nothing more than to lift-up our neighborhoods and grow our city.

And we need to harness this creativity using the latest technology and social media.

Within 45 days, we are launching a new “crowdsourcing” website that will help synthesize this flood of new ideas and elevate the ones with the most practical potential. Rico Singleton, our Chief Information Officer, is briefing my cabinet and senior team on this new interactive tool and will begin trainings to get it up and running. City agency heads and staff will use it to extract the best and most feasible ideas to put them in place in our agencies.

Mr. President, Madam Comptroller, members of the Council, please know that I believe everyone in this chamber has a deep passion for Baltimore and its people.

This conversation about growing the city is just getting started. This is only the beginning of what’s to come, and I look forward to brainstorming with each of you and developing new strategies that you believe can support this goal.

Abraham Lincoln once said, “The best thing about the future is that it comes only one day at a time.” Each new day brings new challenges and new opportunities. Every day, we can come together, make the tough calls, and do the hard work worth doing to get Baltimore growing again.

Thank you. God bless you, and God bless Baltimore.

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